

B1 (Official Form 1)(1/08)

United States Bankruptcy Court District of Oregon		Voluntary Petition
Name of Debtor (if individual, enter Last, First, Middle): Inter-City Sales, Inc.		Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): DBA Inter-City Housing; DBA Western Mortgage Company; DBA Western Site Works		All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all) 93-0579005		Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all)
Street Address of Debtor (No. and Street, City, and State): 33213 SE Highway 34 Albany, OR <div style="text-align: right; font-size: small;">ZIP Code 97321</div>		Street Address of Joint Debtor (No. and Street, City, and State): <div style="text-align: right; font-size: small;">ZIP Code</div>
County of Residence or of the Principal Place of Business: Linn		County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): <div style="text-align: right; font-size: small;">ZIP Code</div>		Mailing Address of Joint Debtor (if different from street address): <div style="text-align: right; font-size: small;">ZIP Code</div>
Location of Principal Assets of Business Debtor (if different from street address above):		
Type of Debtor (Form of Organization) (Check one box) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)	Nature of Business (Check one box) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other Tax-Exempt Entity (Check box, if applicable) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box) <input checked="" type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding Nature of Debts (Check one box) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.
Filing Fee (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.		Chapter 11 Debtors Check one box: <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000. Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
Statistical/Administrative Information <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.		THIS SPACE IS FOR COURT USE ONLY
Estimated Number of Creditors <div style="display: flex; justify-content: space-between; font-size: small;"> <input type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input checked="" type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> OVER 100,000 </div>		
Estimated Assets <div style="display: flex; justify-content: space-between; font-size: small;"> <input checked="" type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion </div>		
Estimated Liabilities <div style="display: flex; justify-content: space-between; font-size: small;"> <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input checked="" type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion </div>		

Voluntary Petition*(This page must be completed and filed in every case)*

Name of Debtor(s):

Inter-City Sales, Inc.**All Prior Bankruptcy Cases Filed Within Last 8 Years** (If more than two, attach additional sheet)

Location

Where Filed: **- None -**

Case Number:

Date Filed:

Location

Where Filed:

Case Number:

Date Filed:

Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet)

Name of Debtor:

- None -

Case Number:

Date Filed:

District:

Relationship:

Judge:

Exhibit A

(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)

☐ Exhibit A is attached and made a part of this petition.

Exhibit B

(To be completed if debtor is an individual whose debts are primarily consumer debts.)

I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by 11 U.S.C. §342(b).

X

Signature of Attorney for Debtor(s)

(Date)

Exhibit C

Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?

☐ Yes, and Exhibit C is attached and made a part of this petition.

☒ No.

Exhibit D

(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)

☐ Exhibit D completed and signed by the debtor is attached and made a part of this petition.

If this is a joint petition:

☐ Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.

Information Regarding the Debtor - Venue

(Check any applicable box)

- ☒ Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.
- ☐ There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.
- ☐ Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.

Certification by a Debtor Who Resides as a Tenant of Residential Property

(Check all applicable boxes)

- ☐ Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)

(Name of landlord that obtained judgment)

(Address of landlord)

- ☐ Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and
- ☐ Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.
- ☐ Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).

Voluntary Petition*(This page must be completed and filed in every case)*

Name of Debtor(s):

Inter-City Sales, Inc.**Signatures****Signature(s) of Debtor(s) (Individual/Joint)**

I declare under penalty of perjury that the information provided in this petition is true and correct.

[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7. [If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
Signature of Debtor

X _____
Signature of Joint Debtor

Telephone Number (If not represented by attorney)

Date

Signature of Attorney*

X /s/ Martin P. Meyers
Signature of Attorney for Debtor(s)

Martin P. Meyers 990829

Printed Name of Attorney for Debtor(s)

Sussman Shank LLP

Firm Name

**1000 SW Broadway
Suite 1400
Portland, OR 97205-3089**

Address

Email: martin@sussmanshank.com

(503) 227-1111

Telephone Number

December 31, 2009

Date

*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X /s/ Mark Irving
Signature of Authorized Individual

Mark Irving

Printed Name of Authorized Individual

President

Title of Authorized Individual

December 30, 2009

Date

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

☐ I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.

☐ Pursuant to 11 U.S.C. §1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X _____
Signature of Foreign Representative

Printed Name of Foreign Representative

Date

Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

Printed Name and title, if any, of Bankruptcy Petition Preparer

Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.)(Required by 11 U.S.C. § 110.)

Address

X _____
Date

Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. §110; 18 U.S.C. §156.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF OREGON

In re
Inter-City Sales, Inc.

) Case No. _____

)

)

EXHIBIT "C-1"

)

Debtor(s)

) [NOTE: Must be FULLY completed by ALL debtors
) and attached to ALL copies of the Petition.]

(NOTE: You must answer ALL questions. Attach additional sheets if necessary. Use of "UNKNOWN" is NOT acceptable!)

1. DESCRIBE ASSETS REQUIRING TRUSTEE'S IMMEDIATE ATTENTION:
NONE

2. Street address and description of principal assets (note property):
33213 SE Highway 34
Albany OR 97321-0000

3. **The BANKRUPTCY DOCUMENT PREPARER DECLARATION below has been completed for any person who helped, for compensation, prepare any of the bankruptcy papers if the debtor does not have an attorney.**

I declare under penalty of perjury that the above information provided in this Exhibit "C-1" is true and correct.

DATE: December 30, 2009 /s/ Mark Irving
Debtor's Signature Phone # Joint Debtor's Signature

BANKRUPTCY DOCUMENT PREPARER DECLARATION

I, the undersigned, declare under penalty of perjury that (1) neither I, nor anyone else listed herein, collected or received any payment from or on behalf of the debtor for court fees in connection with filing the petition; (2) I have received \$_____ from or on behalf of the debtor within the previous 12 month period; (3) \$_____ is the unpaid fee charged to the debtor; and (4) the following is true and accurate about myself and any other assistants:

Individual Name and Firm (Type or Print): _____

Address (Type or Print): _____

Last 4 digits of Social Security Number of all OTHER individuals who prepared or assisted in the preparation of these bankruptcy documents: _____

Signature: _____ Last 4 digits of Social Security #: _____ Phone #: _____

[NOTE: Penalties up to \$500 per item may be assessed for omission of any required information (11 USC §110; 18 USC §156) and Fed. Bankruptcy Rule 1006 prohibits further payment to any person for services until the court filing fees are paid in full.]

EXHIBIT C-1 (8/8/08)

**United States Bankruptcy Court
District of Oregon**

In re **Inter-City Sales, Inc.**

Debtor(s)

Case No.

Chapter **7**

DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR(S)

1. Pursuant to 11 U.S.C. § 329(a) and Bankruptcy Rule 2016(b), I certify that I am the attorney for the above-named debtor and that compensation paid to me within one year before the filing of the petition in bankruptcy, or agreed to be paid to me, for services rendered or to be rendered on behalf of the debtor(s) in contemplation of or in connection with the bankruptcy case is as follows:

For legal services, I have agreed to accept	\$	<u>15,000.00</u>
Prior to the filing of this statement I have received	\$	<u>15,000.00</u>
Balance Due	\$	<u>0.00</u>

2. \$ **0.00** of the filing fee has been paid.

3. The source of the compensation paid to me was:

☒ Debtor ☐ Other (specify):

4. The source of compensation to be paid to me is:

☒ Debtor ☐ Other (specify):

5. ☒ I have not agreed to share the above-disclosed compensation with any other person unless they are members and associates of my law firm.

☐ I have agreed to share the above-disclosed compensation with a person or persons who are not members or associates of my law firm. A copy of the agreement, together with a list of the names of the people sharing in the compensation is attached.

6. In return for the above-disclosed fee, I have agreed to render legal service for all aspects of the bankruptcy case, including:

- a. Analysis of the debtor's financial situation, and rendering advice to the debtor in determining whether to file a petition in bankruptcy;
- b. Preparation and filing of any petition, schedules, statement of affairs and plan which may be required;
- c. Representation of the debtor at the meeting of creditors and confirmation hearing, and any adjourned hearings thereof;
- d. Representation of the debtor in adversary proceedings and other contested bankruptcy matters;
- e. [Other provisions as needed]

None

7. By agreement with the debtor(s), the above-disclosed fee does not include the following service:

CERTIFICATION

I certify that the foregoing is a complete statement of any agreement or arrangement for payment to me for representation of the debtor(s) in this bankruptcy proceeding.

Dated: **December 31, 2009**

/s/ Martin P. Meyers
Martin P. Meyers 990829
Sussman Shank LLP
1000 SW Broadway
Suite 1400
Portland, OR 97205-3089
(503) 227-1111
martin@sussmanshank.com

SUSSMAN SHANK_{LLP}

A T T O R N E Y S A T L A W

Martin P. Meyers
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Portland, Oregon 97205-3089

503.227.1111 or 800.352.7078
fax: 503.248.0130
www.sussmanshank.com

December 30, 2009

VIA E-MAIL AND FIRST CLASS MAIL

Inter-City Sales, Inc.
c/o Mark Irving
33213 SE Highway 34
Albany, OR 97322

Re: Retainer Agreement
Our File No. 20814-001

Dear Mr. Irving:

Thank you for retaining us to represent Inter-City Sales, Inc with respect to a possible bankruptcy filing. We look forward to working with you.

Because you are a new client to our office, I wanted to share with you some information about our firm. Sussman Shank is a full service commercial law firm. Our firm is divided into three practice groups: (a) creditors' rights and bankruptcy; (b) corporate, tax, and real estate; and (c) commercial and environmental litigation. Our firm represents numerous national and local clients in a variety of routine and complex matters.

I am licensed to practice law in both Oregon and Washington State. We routinely represent many clients in bankruptcy, business, and litigation matters in Oregon and Washington. Several of us also represent clients as creditors in bankruptcy and reorganization cases throughout the United States, including major national cases filed in New York; Wilmington, Delaware; Los Angeles, California, and elsewhere. Please refer to the materials I have enclosed, or our website, www.sussmanshank.com, for more detailed information about our firm and other attorneys in our office.

At Sussman Shank we believe that effective legal representation requires complete trust and candor between attorney and client. We ask that you respond promptly and completely to our requests for documents and for information which we believe might be relevant. We, in turn, will keep you informed of our work on this matter and will send you copies of all pertinent documents and correspondence, whether prepared by us or

SUSSMAN SHANK_{LLP}

Mark Irving
December 30, 2009
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received from other sources. Except in a few circumstances, communications between us pertaining to the subject of our representation are confidential attorney-client communications and will be used by us solely for the purpose of pursuing your interests.

Terms of Representation. This letter, along with the enclosed Terms of Representation, summarizes the terms under which we will represent you in this matter. If this letter and the Terms of Representation reflect your understanding of the conditions of our representation, please sign the enclosed copy in the space provided below and return it in the envelope provided. If you have any questions in that regard, please call me.

Input of Other Attorneys and Paralegals. The most effective use of my time may be to utilize the assistance of other attorneys and paralegals with experience in specific fields. From time to time I may make assignments to others when I believe such assignments will better serve you or minimize the cost to you.

Basis of Fees. The fee to be charged in this matter will be based upon a number of factors, primarily the time expended by me and other attorneys and paralegals, if any, working on this case. Each professional charges at his or her assigned hourly rate which may change from time-to-time. My billing rate is \$350 an hour. The rates of other attorneys in our office currently range from \$220 up to \$425. Our paralegals currently charge between \$100 to \$180 per hour.

Costs. As discussed in more detail in the enclosed Terms of Representation, you will be responsible for all out-of-pocket costs and expenses incurred on your behalf.

Time records. Each professional keeps a daily record of the time expended on each matter, which includes the activities undertaken on your behalf such as the initial interview, consultations, correspondence, preparation of documents, court appearances, telephone calls, etc. Time charges are recorded in minimum units of one tenth of an hour. Our time records in this matter will be available for your inspection at your request.

Retainer and Billing. You have provided us with a retainer of \$10,000. We will bill you monthly for our time charges and costs. You will be expected to pay our monthly statements upon receipt. If this matter goes to arbitration or trial, we may require an arbitration or trial retainer prior to commencement of the arbitration or trial to cover our preparation and the time in arbitration or trial. If our final invoice exceeds the retainer, you will be expected to pay the difference. Our statements will itemize the services provided and costs and expenses incurred during the month. Payment is due upon receipt. If

SUSSMAN SHANK_{LLP}

Mark Irving
December 30, 2009
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you ever have any question regarding our statements or otherwise, please do not hesitate to call me. We believe that open and honest communication regarding all matters, including the fees charged, is crucial to our maintaining a good working relationship. If our representation in this matter ends before the conclusion of the case, you will be responsible for all fees, costs, and expenses incurred up to the time of termination. We may suspend our activity in any matter where outstanding balances are more than thirty (30) days overdue unless other arrangements for payment have been agreed to in writing. We reserve the right to terminate our attorney-client relationship for non-payment of fees or costs. If our appearance has been entered of record on your behalf in any court or arbitration proceedings and if court or other approval is required to withdraw our appearance, you hereby consent to our withdrawal of that appearance and you authorize us to represent to the court or other tribunal that you have so consented.

Telephone Calls and Messages. There may be times when I will be in court, in meetings, or otherwise unavailable to answer your calls. At such times, I encourage you to talk with my assistant, Majesta Gruetzmacher. Often she will be able to respond to your questions or handle information you may wish to provide. If you have a question that she cannot answer, she can obtain the necessary background information and convey it to me with your question so that I may respond to you in a more effective and timely manner. I encourage you to call when you have questions about the progress of this matter. If I am not immediately available, I will return your call as soon as I can.

We look forward to working with you on this matter.

Very truly yours,

SUSSMAN SHANK LLP

/s/ Martin P. Meyers

Martin P. Meyers

I have read the enclosed Terms of Representation and agree to its terms and the terms set forth in this letter.

Dated: 12/30/10

By: /s/ Mark Irving
Its: President of Inter-City Sales Inc.

MPM:mpg
Enclosure

F:\ADMIN\MPG\MPM WORK\L-MPM ENGAGEMENT INNER CITY INC.DOC

SUSSMAN SHANK_{LLP}

A T T O R N E Y S A T L A W

TERMS OF REPRESENTATION

Sussman Shank LLP is pleased to have the opportunity to represent you. From the outset and throughout our relationship with you, it is essential that we maintain a mutual and open line of communication. In order to assist that process, we are providing you with the following information about our standard client service practices and billing procedures. These practices and procedures will apply to our statements for legal services performed on your behalf unless you have reached a different written understanding with us.

STAFFING ASSIGNMENTS FOR YOUR LEGAL REPRESENTATION

One lawyer will generally be assigned primary responsibility for seeing that your legal needs are met. When appropriate, additional lawyers may from time to time assist in providing legal services. We attempt to assign lawyers and other personnel on the basis of experience, expertise, nature and scope of the issues, and the time constraints imposed by the matter. This is done to provide you with the highest level of expertise and to provide prompt attention to your matter, while also attempting to minimize the cost to you. Our office also utilizes law clerks, paralegals and legal secretaries to perform routine legal services, such as information gathering, form preparation and legal research, which would otherwise have to be performed by a lawyer. These services are billed at substantially lower rates.

BASIS FOR FEES

Our fees for a particular matter are based upon a variety of factors, depending on the nature of your case. The principal factor is time spent on the matter. You should expect to be charged for all time expended on your behalf, from the initial consultation through the conclusion of the project, including office conferences, telephone discussions, correspondence (including E-mails), review of documents and correspondence, research, travel time, and any other time expended on your behalf.

In some instances, other factors in addition to time may be appropriate in determining the basis for your fees. These can include the novelty and difficulty of questions involved, the experience and abilities of the lawyers rendering the services, the amount at issue, the results obtained, and time limitations imposed by you or by the circumstances of the matter. Conversely, there are cases in which other factors such as the result, the relatively small size, or other considerations will justify our charges being less than the normal hourly rate times the amount of time spent.

Hourly rates of our lawyers and legal assistants reflect fees generally charged in the area and the lawyers' experience and expertise. These rates are subject to periodic adjustment and are typically adjusted at the beginning of each fiscal year, October 1st. A statement of rates is available at any time upon your request.

COSTS AND EXPENSES

We may, at your request, provide you with an estimate of the cost of legal services in your case. We will do our best to provide an accurate estimate, but in any legal matter, circumstances may arise that will cause the cost to exceed the estimate, sometimes by a substantial amount. Our estimate will be a good faith effort to provide you with a figure for planning purposes. It is not a guarantee or an agreement on our part to provide the agreed on legal services for no more than the estimate. Our firm may advance or incur certain costs and expenses that will be charged to you. Such charges include court filing fees, deposition expenses, title company reports, long distance telephone charges, photocopying, printing, computerized legal research, travel expenses, messenger services, project staff, secretarial overtime, postage, and similar costs. Some costs and expenses (such as telephone and duplication) may be charged at a higher rate than the actual amount incurred. Although all such expenses are your responsibility and we assume no liability for payment, for administrative ease we may advance payment to these providers if your account is current. When the amounts due are large, however, we may forward invoices to you for direct payment. We will consult with you prior to entering into any commitments for any substantial expense items, regardless of which of us will be billed by the provider of the service.

RETAINER

We may request that you provide a retainer to our firm prior to our providing services. Any retainer will be held in trust for you. We are required by the Oregon Supreme Court to participate in the Interest on Lawyer Trust Account (IOLTA) program. Under this program, interest on funds deposited in our trust account is paid to the Oregon Legal Foundation, a nonprofit organization which provides pro bono legal services. Unless otherwise agreed in writing, when we issue statements for our services, the amount billed will be paid to the firm from that retainer at the time the statement is mailed to you. If after you receive our statement you disagree with any amounts charged against the retainer, please contact us immediately. At the conclusion of our representation of you, any unexpended retainer will be refunded to you. If we do not initially request a retainer, we may later request that a retainer be provided. Also, we may request that the retainer be replenished or increased.

MONTHLY INVOICES

Our firm bills on a monthly basis. Our monthly billing cycle ends on the 20th of each calendar month and bills are mailed approximately 2 weeks later. Our statements are payable upon receipt. If we are representing more than one person or entity, each of you are jointly and severally liable for the full amount billed. Other billing arrangements are possible but must be specifically provided for in a written agreement. A Statement of Account will be forwarded to you automatically each month if you have any outstanding invoices. Any amount due over sixty days will be reviewed by firm management, who may contact you.

DELINQUENT ACCOUNTS

Our law firm, like other businesses, has substantial cash demands that require us to expect client accounts to be paid promptly on receipt or in accordance with another agreed payment schedule. In the event an account becomes delinquent, the firm employs the same prudent collection procedures used by other businesses to ensure the vast majority of the firms clients who do pay their bills promptly are not penalized for the additional cost attributable to delinquent bills. Unless we agree otherwise in writing, or unless we are representing you in a matter which is primarily for personal, family, or household purposes, a 1.25% per month late fee for accounts over 31 days past due may, in our discretion, be charged. If any suit or action, arbitration or other proceeding is commenced to collect attorney fees, costs, or other charges from you, the prevailing party shall be entitled to an award against the other party for the prevailing party's reasonable attorney fees and related costs, including expert witness fees, incurred at both the trial and appellate court levels.

CONFLICTS OF INTEREST

We have performed a name check of our other clients to see if our representing you creates a conflict of interest for our firm. That check was done using your name and the other names you gave us before we commenced working with you. Please inform us immediately if you use other names, have affiliated companies, or if there are others with involvement in this matter so that we may enter those into our conflicts system. Failure to do so may prevent us from discovering a conflict which, as discussed later, may disqualify us from continuing to represent you and cause considerable inconvenience and expense.

TERMINATION OF SERVICES

You may terminate your attorney-client relationship with our firm at any time, subject to the payment of our then outstanding fees and costs. Similarly, we retain the right to cease performing legal services and terminate our representation of you for any reason consistent with the applicable ethical rules, including conflicts of interest or delinquency or nonpayment of legal fees and expenses incurred on your behalf. In the event of termination, the law provides us with the right to obtain a lien upon any of your documents in our possession at the time of termination or upon the proceeds of any judgment or settlement entered in your favor until payment in full of your account is received.

TAX ADVICE

The matters we handle for you may have tax implications. Usually, clients obtain tax advice from their accountants and we will assume that your accountant will be providing you with that tax advice. If you wish, one of our tax attorneys can provide you with tax advice as well. Please advise us in writing if you wish for us to provide you with tax advice as part of our representation.

COMMUNICATION

We value our professional relationship with you. Most often, problems can be avoided if there is full and candid communication between us. Our goal is to ensure that legal services are delivered effectively, efficiently and professionally. We also take care to provide you with billings that are accurate and understandable. If we are meeting our goal of keeping you informed about the legal work we are doing, our billing should merely reflect and confirm work which you already know we have done. Nevertheless, you should feel free to direct any questions about services, billing practices, or payment status to the lawyer responsible for your account, to our Administrator or to our accounting department.

No one can guarantee the security of cell phones and e-mail. If you choose to converse with us that way, be aware of the dangers of being overheard or of having your communication intercepted. We will not call you on a cell phone and will not use e-mail without your permission. If you give us a cell phone number or we receive e-mail from you, we will assume we may respond by e-mail or by cell phone.

PRIVACY NOTICE

In the course of our relationship with you, it may be necessary to collect personal information from you to provide certain legal services. The confidentiality of this information is ensured by our adherence to the highest professional standards of confidentiality and the rules of governing attorney-client confidences. These rules generally prohibit us from disclosing confidential information without your consent.

Types of Nonpublic Personal Information We May Collect

We may collect nonpublic personal information about you that is provided to us by you or obtained by us with your authorization.

Parties to Whom We Disclose Information

For all clients, we do not disclose any nonpublic personal information obtained in the course of our practice except as necessary to provide you with legal and related services. For instance, our staff may have access to your nonpublic personal information in order for us to efficiently provide you with the legal services you have requested. In some situations we may provide information to another organization (such as your accountant, your realtor, or insurance company) in order to obtain information or assist in providing the legal services you have requested. In all such situations, we stress the confidential nature of information being shared.

Protecting the Confidentiality and Security of Current and Former Clients' Information

We retain records relating to professional services you have asked us to provide. In order to protect the confidentiality of your nonpublic personal information, we maintain physical, electronic and procedural safeguards that comply with the Code of Professional Responsibility that governs our profession. Please call us with any questions that you have about protecting your privacy, (503) 227-1111.

CLOSING

On conclusion of this matter we will write to you advising you that we have concluded our work. In closing your file, we will return any original copies of personal documents that you may have provided to us and archive your file for 10 years. At the end of that 10-year period, we will destroy the file without notice to you unless there is some reason to retain it further.

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**United States Bankruptcy Court
District of Oregon**

In re **Inter-City Sales, Inc.**

Debtor(s)

Case No.

Chapter

7

VERIFICATION OF CREDITOR MATRIX

I, the President of the corporation named as the debtor in this case, hereby verify that the attached list of creditors is true and correct to the best of my knowledge.

Date: **December 30, 2009**

/s/ Mark Irving

Mark Irving/President

Signer/Title

**United States Bankruptcy Court
District of Oregon**

In re **Inter-City Sales, Inc.**

Debtor(s)

Case No.
Chapter

7

CORPORATE OWNERSHIP STATEMENT (RULE 7007.1)

Pursuant to Federal Rule of Bankruptcy Procedure 7007.1 and to enable the Judges to evaluate possible disqualification or recusal, the undersigned counsel for **Inter-City Sales, Inc.** in the above captioned action, certifies that the following is a (are) corporation(s), other than the debtor or a governmental unit, that directly or indirectly own(s) 10% or more of any class of the corporation's(s') equity interests, or states that there are no entities to report under FRBP 7007.1:

☒ None [*Check if applicable*]

December 31, 2009

Date

/s/ Martin P. Meyers

Martin P. Meyers 990829

Signature of Attorney or Litigant
Counsel for **Inter-City Sales, Inc.**

Sussman Shank LLP

1000 SW Broadway

Suite 1400

Portland, OR 97205-3089

(503) 227-1111

martin@sussmanshank.com

**United States Bankruptcy Court
District of Oregon**

In re **Inter-City Sales, Inc.**

Debtor(s)

Case No.
Chapter

7

CERTIFICATION PURSUANT TO LBR 1001-1.G

I certify that the foregoing documents have been prepared by a computer and conform to versions of the Official Bankruptcy Forms available and applicable at this time.

The software utilized is Best Case Bankruptcy, developed by Best Case Solutions, Inc.

Dated: **December 31, 2009**

/s/ Martin P. Meyers

**Martin P. Meyers 990829
Sussman Shank LLP
1000 SW Broadway
Suite 1400
Portland, OR 97205-3089
(503) 227-1111**